

Supplemental Materials

REVISED VERSION (January 7, 2015)

As a result of a review by the institution's internal auditor and other staff, the amount of the donation that was revoked by the donor was revised from \$450,000 to \$250,000, resulting in repayment of \$125,000.

AGENDA ITEM X-C

Consideration of adopting the Committee's recommendation to the Board relating to the redistribution of Texas Research Incentive Program funds to the Emerging Research Universities

RECOMMENDATION: Approval

Background Information:

The 81st Texas Legislature created the Texas Research Incentive Program (TRIP), establishing a research matching fund for the emerging research universities. House Bill 1 appropriated \$102,812,500 for FY 2016 for the program and \$35,312,500 for FY 2017, which the Board certified at its July 2015 meeting.

Two changes since the Board approved the distribution will require a reallocation of funds. First, the appropriation was reduced by \$27,996 in October 2015, because of a shortfall in the Emerging Technology Fund, which helped finance the program. Second, a University of North Texas (UNT) donor revoked a \$200,000 donation for which the institution received TRIP matches of \$100,000 in FY 2010, 2011, and 2012; and revoked \$50,000 of a \$250,000 donation for which the institution received a TRIP match of \$25,000 in FY 2013. Chapter 15, Subchapter A, Section 15.10 (f) (2) of Board rules requires the repayment of TRIP matching funds if a donor revokes a gift; therefore, these funds will be available for redistribution.

The legislation requires the Board to certify that the gifts or endowments received by each emerging research university were donated for the purpose of enhancing research activities at the institution. Once the gifts are certified, the percentage matched is statutorily mandated leaving no discretion in the amount of matching funds that the institutions receive.

The table below shows the revised amounts that will be distributed during fiscal years 2016 and 2017 for the institutions affected by this change. Though the repayment by UNT will be from funds allocated in prior years, it is shown as a reduction in FY 2016 because that is the year the funds will be returned. For the University of Houston, the match for the 2016-2017 biennium is increased by \$89,900.95. For Texas Tech University, a match of \$97,004 is moved from FY 2017 to FY 2016. It is also receiving a new match of \$7,103.05 in FY 2017.

REVISED VERSION (January 7, 2015)

As a result of a review by the institution's internal auditor and other staff, the amount of the donation that was revoked by the donor was revised from \$450,000 to \$250,000.

Below are the amounts that will be distributed during fiscal years 2016 and 2017 for matching funds from TRIP.

Institution	FY 2016	FY 2017
The University of Texas at Arlington	7,159,022.11	3,030,758.38
The University of Texas at Dallas	32,383,099.00	7,728,439.51
The University of Texas at El Paso	1,065,165.68	50,000.00
The University of Texas at San Antonio	5,249,945.00	973,500.00
University of Houston	17,594,885.68	5,086,164.08
University of North Texas	2,183,054.17	2,865,250.00
Texas Tech University	35,105,183.60	12,766,346.64
Texas State University	2,044,148.76	2,812,041.39
Total	102,784,504.00	35,312,500.00

	Original	Revised	Difference
University of North Texas			
FY 2016	2,308,054.17	2,183,054.17	-125,000.00
FY 2017	2,865,250.00	2,865,250.00	0.00
Total	5,173,304.17	5,048,304.17	-125,000.00
University of Houston			
FY 2016	17,594,885.68	17,594,885.68	0.00
FY 2017	4,996,263.13	5,086,164.08	89,900.95
Total	22,591,148.81	22,681,049.76	89,900.95
Texas Tech University			
FY 2016	35,008,179.60	35,105,183.60	97,004.00
FY 2017	12,856,247.59	12,766,346.64	-89,900.95
Total	47,864,427.19	47,871,530.24	7,103.05

The total distribution will be \$102,784,504 for FY 2016 and \$35,312,500 for FY 2017. The amount by institution is provided in the supplemental material.

Julie Eklund, Assistant Commissioner for Strategic Planning and Funding, will be available for questions.